

REMARKS

Claims 4, 8, 11 and 13-21 were examined in the Final Office Action mailed January 18, 2007.

Claims 4, 8, 11 and 14-21 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Japanese patent publication JP 2002-218601 (“Yutaka”), in view of Japanese patent publication JP 2002-142310 (“Walters”).

Claim 13 stands rejected under § 103(a) as unpatentable over Yutaka and Walters, in further view of U.S. Patent No. 6,484,832 to Morisawa, *et al.* (“Morisawa”).

The Applicants have amended independent claim 19 to incorporate the limitations of its dependent claim 21. A conforming amendment cancelling claim 21, without prejudice to the subject matter therein, is also made. With this amendment, claim 19 now recites that “the motor-generator, the capacitor device and the translator are integrated into a single assembly, being housed in a housing together,” and that this assembly, which is independent of an electric system of the engine, is “integrally joined with another housing for a differential gear for transmitting the power of the motor-generator to the wheels such that the assembly is attached to the vehicle together with the differential gear.” According to this invention, the components of the electric drive system, particularly the various heat-generating components such as the motor-generator, battery and inverter, can be placed outside the vehicle body together with the differential gear. This permits these heat-generating components to be cooled more effectively by outside air as the vehicle is operated.

The Cited References. In the January 18, 2007 Final Office Action, it is acknowledged that the Yutaka reference does not disclose an electrically-separate engine and motor-generator, as explained in the Applicants' November 16, 2006 response. Yutaka also does not contain any reference or suggestion for integration of the electric drive components in the manner recited in claim 19; it is merely asserted that such integration is viewed to be an obvious variation, and that it would have been obvious to one of ordinary skill "to configure know[n] components in an orientation appropriate for a vehicle's component packaging areas" as rearranging of parts is said to involve only routine skill in the art. January 18, 2007 Final Office Action at 3.

With regard to the asserted obviousness for integration, the Final Office Action cites *In re Larson*, 340 F.2d 965, 967 (CCPA 1965) for the proposition that "[i]ntegration of components has been held to be an obvious variation." January 18, 2007 Office Action at 3. The Applicants respectfully submit that this case is not applicable to the present situation.

In the *Larson* case, the applicants maintained that their claim was patentable over the cited reference because the claim required a brake drum "integral to" a clamping means (the clamping means being used to hold a flexible bladder to a wheel hub), while the cited reference taught a brake disc "rigidly secured" to the clamping means. *In re Larson*, 340 F.2d at 967. In other words, *Larson* does not stand for the proposition that it is obvious to *integrate in a common housing* components that *were not previously known to be co-located*. Rather, *Larson* stands only for the proposition that it may be obvious to make a

one-piece component (integral brake drum/clamping means) from bolt-together subcomponents (brake disc joined to clamping means), or vice-versa. Thus, the *Larson* case does not support the assertion that it would have been obvious to integrate the electric drive components of the present invention in the manner recited in claim 19.

Nor does the newly-cited Walters reference address the lack of obviousness to combine these particular electrical components in a housing in the manner recited in claim 19. The Walters reference is cited as teaching a motor-generator which is electrically separate from its engine. *Id.* at 4. The Walters reference discloses a vehicle driving system in which the front wheels 3a are driven by engine 1, and the rear wheels 3b are driven by a motor-generator 2, battery 10 and an inverter 9. Walters Fig. 1. As shown in Fig. 1, Walters does not contain any suggestion of integration of the electric drive components in the manner recited in claim 19. At most, Fig. 1 shows multiple electrical components near the rear differential 8. One of ordinary skill would not recognize Walters' schematic illustration of drive unit components next to a differential as a suggestion to integrate the claim 19 electric drive unit components into a common housing, any more than illustration of the engine 1 and transmission 5 next to front differential 6 suggests such integration. Put another way, one of ordinary skill would recognize the illustration of the engine, transmission and differential together as merely an illustration of related drive components, not a suggestion that, for example, the transmission be incorporated

into the engine housing or the co-location of the motor-generator in a common housing with other electrical components.

Finally, the Applicants note the guidance issued on May 3, 2007 by the Deputy Commissioner for Patent Operations regarding the recent Supreme Court decision on *KSR Int'l Co. v. Teleflex, Inc.*, in which Commissioner Focarino noted the Supreme Court's reaffirmation of use of the *Graham* factors for obviousness determinations, and emphasized (in bold font) the requirement for providing an *explicit* statement of reasons substantiating an asserted combination. May 3, 2007 Guidance Memorandum at 2. Specifically, the Guidance Memorandum first cites the Supreme Court's statement of the elements of an obviousness analysis, including the Court's admonition that "[t]o facilitate review, this analysis **should be made explicit.**" *Id.* (emphasis in Memorandum). The Memorandum then states:

Therefore, in formulating a rejection under 35 U.S.C. § 103(a) based upon a combination of prior art elements, it remains necessary to identify the reason why a person of ordinary skill in the art would have combined the prior art elements in the manner claimed.

Id. (emphasis in Memorandum).

In view of this guidance, the Applicants respectfully submit that the mere assertion that it would have been obvious to combine electrical components is insufficient to sustain a rejection of claim 19, particularly where there was no reason to believe that one of ordinary skill would have combined the elements recited in claim 19 in a common housing, *i.e.*, where nothing suggests any reason to believe that one of ordinary would have considered combining such

traditionally separate (at least in vehicle applications) electrical elements in a common housing in a vehicle application, as recited in claim 19.

For the foregoing reasons, the Applicants respectfully submit that no combination of the cited references teach or suggest all of the features of the present invention recited in claim 19 and its dependent claims. Accordingly, claim 19 and dependent claims 4, 8, 11, 13-18 and 20 are patentable over these references under § 103(a).

CONCLUSION

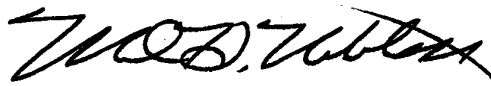
Entry of the foregoing requested amendments and issuance of a Notice of Allowance for claims 4, 8, 11 and 13-20 is respectfully requested.

If there are any questions regarding this amendment or the application in general, a telephone call to the undersigned would be appreciated since this should expedite the prosecution of the application for all concerned.

If necessary to effect a timely response, this paper should be considered as a petition for an Extension of Time sufficient to effect a timely response, and please charge any deficiency in fees or credit any overpayments to Deposit Account No. 05-1323 (Docket #056208.53953US).

Respectfully submitted,

May 9, 2007



James F. McKeown, Reg. No. 25,406
Mark H. Neblett, Reg. No. 42,028

CROWELL & MORING LLP
Intellectual Property Group
P.O. Box 14300
Washington, DC 20044-4300
Telephone No.: (202) 624-2500
Facsimile No.: (202) 628-8844